

Exeter Fire District

(March 16, 2006)

Approved 04/20/06

Call to Order

Chairman Peter Lacouture called the March meeting of the Exeter Fire District to order at 7:01pm. Present were Commissioners Vergano, Lacouture, Wilbur, Nievera, Swanson and Walker. There were 9 members of the public in attendance.

Public Comment

Robt. Johnson (Exeter Town Councilman) asked for clarification of the budget that was being presented by the commissioners at their next (April 12, 2006) annual meeting. He stated that a fellow Council member had announced, that the fire district budget was to increase 7.7%, with no explanation as to what constituted the increase, "As liaison to public safety, I want to have all the facts so I am able to explain this budget in a more responsible manner," said Mr. Johnson. Mr. Johnson was told the increase was primarily due to the cost of additional Rescue coverage and a \$6,000 line item supporting an ISO consultant.

Previous Month's Minutes

Mr. Wilbur moved (Mr. Walker second) approval of the minutes, as

corrected, for the January 12th meeting. The motion carried unanimously. Mr. Wilbur moved (Ms. Vergano second) approval of the minutes, as corrected, for the February 9th meeting. That motion was also approved unanimously.

A short discussion was held on the inclusion of a line heard from the audience at the budget hearing on February 23rd. Ms. Vergano moved (Mr. Walker second) striking the sentence “An unidentified member in attendance commented “Pay me now, or pay me later.” Ms. Vergano stated that the Board “shouldn’t recognize outbursts and remarks made by people who do not identify themselves and follow the rules of the meeting”. She expressed her concern that including these remarks, relevant or not, would set precedent for having to recognize outbursts in the future and perhaps even encourage members of the public to make such off-handed remarks. Mr. Nievera stated that he included the remark only because of its’ relevance to the subject of truck funds and the manor in which the departments have shown their responsibility to “set aside” funds for future major purchases. On a roll call vote, the motion failed with Ms. Vergano and Messrs. Swanson and Walker voting in the affirmative and Messrs. Lacouture, Wilbur and Nievera opposed. Mr. Wilbur moved (Mr. Swanson second) accepting the minutes, as corrected, for the February 23rd budget hearing. The motion carried unanimously.

Treasurer’s Report

Ms. Vergano reports the beginning balance of \$232,189.92 less cleared transactions of \$51,776.82 (\$89,772.77 in checks and payments and \$37,995.95 in deposits and credits) leave a cleared balance of \$180,413.10 as of February 8th. She also reports that cleared transactions of \$71,057.63 (\$2,912.26 in checks and payments and \$73,969.89 in deposits and credits) leave a cleared balance of \$251,470.73 as of March 8th. These figures agree with the monthly statements from Citizens Bank. Mr. Nievera has reviewed the reconciliation summary and is satisfied with its accuracy. The uncleared register balance including \$4,970.56 in uncleared transactions (\$982.85 in checks and payments and \$5,953.41 in deposits and credits) is \$256,441.29 as of March 8th.

Communications

Mr. Nievera reports the receipt of a letter from the Exeter Town Council, through the Town Clerk, concerning the back charging of all expenses relative to the annual meetings held by the EWG School Department and the Fire District.

A hand delivered letter from Dan Patterson was also received. Mr. Patterson was given the opportunity to address the board because of his unfamiliarity with the format of the meetings. Mr. Patterson was told that changes to the bylaws needed to be made in order to implement his suggested changes, something that could only be done at an annual meeting, and that it was not possible to do so prior to this year's financial meeting. He informed the board that he did not

know how to contact the board. He was given the post office box number as well as the e-mail address.

Old Business

Ms. Vergano advised that our tax collections had reached 81% of total, and that one new abatement brought that total to \$1,560.50. Mr. Nievera reported that the status of the delinquent accounts, as of 03/15, is 330 accounts remain delinquent, representing the sum of \$69,052 (\$65,365 in taxes and \$3,687 in interest and penalty). He noted there remained two weeks in the period covered in the latest delinquency notice and that is when the response is usually greater.

Mr. Lacouture has completed the “State of Affairs” letter as required in the by laws and has asked Mr. Nievera to post it at the tax office. Mr. Lacouture is also working on a presentation for the annual meeting. Ms. Vergano is to work on the financial slides. She has asked that a draft be ready for the weekend. Mr. Lacouture will attempt to meet that deadline.

Mr. Nievera reports that the Board of Elections will deliver the voting machines to the school to be used by the EWG School District as well as the Fire District. They will also bring them back to Providence, thus negating our need to return them.

Mr. Nievera moved (Mr. Wilbur second) the appointment of Mr. Michael Cerullo district moderator for a period of one year. Several commissioners commented on the “job well done” during last year’s annual meeting. The motion carried unanimously.

Brad Preston (VFIS) addressed the board with regard to a consolidated insurance program. Mr. Preston requested, in exchange for his figures, that he be given “good faith commitment” from the board of commissioners, not to use the information put forth this evening to shop for insurance with other carriers. Mr. Nievera, through the chair, asked the chiefs in attendance what they thought of the idea. All were in agreement that the history between the organizations and VFIS has been very good. Chief Franklin noted that he has no problem with the concept but questions how it would work. He is of the opinion that there would have to be input from all the organizations. He further stated that he thought we might be entering an illegal area. “The board does not have the authority to alter the individual budgets.” “Budgets must be changed by the membership”, said Chief Franklin. Ms. Vergano asked if all the organizations had to vote on the consolidation. The sense of those involved in the discussion was that it was necessary for an individual organizational vote to take place to allow the consolidation to go forward. Ms. Vergano expressed her frustration that the board could not affect change and make decisions to provide cost savings to the taxpayers and that the district was, in many aspects, then “simply functioning as a wallet”. Mr. Conroy, treasurer of station #1, Mr. Jordan, a former chief of station #1 and Mr. Lacouture voiced favorable opinions of VFIS and Mr. Preston, noting many years of satisfactory service.

Ms. Vergano stated that this consolidation would serve two purposes. (1) This would be the first consolidation of this type, saving the taxpayers money and (2) it would give the board something to

bring to the membership at the annual meeting. After a short discussion Mr. Wilbur moved (Mr. Nievera second) that the board honor a two-year “good faith commitment” to VFIS for a consolidated insurance program. The motion passed 5 – 1 with Commissioner Swanson casting the lone opposing vote. Mr. Swanson stated the importance of opening a bidding process and expressed his concern that there are legal issues involved in not doing so.

Mr. Preston explained under his proposal there would be one policy issued to the Fire District covering all operations now under five separate policies. The lone exception would be the workman’s comp insurance, which, by state statute, must be carried by the employer. All coverage would be reviewed and some adjusted upward. This policy would save the district approximately \$10,000. Mr. Preston suggested the creation of a sub committee, made up of members of the board, as well as representatives from each public safety organization (including possibly an attorney), to discuss coverage issues and logistics and review the option proposals. The insurance committee could then present their recommendation to the board and the public safety organization as a whole. Mr. Lacouture then questioned Mr. Preston about “insurable interest”. Mr. Preston expressed his opinion that the fire district does have insurable interest ,as a public entity in the equipment of the organizations. Ms. Vergano and Mr. Wilbur will serve on this committee. It was further agreed that one member from each of the entities should be named to this committee. Mr. Walker then moved (Mr. Wilbur second) the formation of a committee consisting of the vice chair, treasurer and

one member from each organization to review consolidation proposals. The motion carried 5 – 0, with Mr. Swanson abstaining.

Mr. Conroy inquired of the board whether or not a contingency fund was in place so that the insurance payments could be ensured regardless of the tax collection rate. Ms. Vergano stated that there was no such fund, as of yet.

Ms. Vergano asked whether the \$2,505 discrepancy noted in the Dispatch Center's budget from FY 2005/2006 could be used as an adjustment, if necessary, due to shortfall in taxes collected. The sense of the meeting was that since the Dispatch Center was due to receive, through a mathematical error, an additional \$2,505, it would be appropriate to request that money be considered a portion of their shortfall, if needed, in the last payment of the FY 2005/2006 budget.

New Business

(Retired) Chief Kettelle gave an extremely detailed account of the income and expenses realized by station #1 over the recent past. His figures went back about fifteen years to show the need and advantage of utilizing truck and capital funds, as well as the care taken of taxpayers money entrusted to the organization. He felt that this was necessary due to the absence of a spokesperson, familiar with the budget, at the budget hearing last month.

Mr. Nievera informed the board that there was only one other candidate, Paul McAdam, for the position currently held by Mr. Walker. Mr. Lacouture asked Mr. Nievera to contact Mr. McAdam and

inform him that he would be given a period of time, no more than three minutes in length, to address the membership at the annual meeting. A coin toss will determine the order of presentations.

Ms. Vergano asked of the process going forward with regard to ISO and how the board would be advised of any advances being made by the fire companies. Mr. Nievera suggested a monthly or quarterly progress report from each department would not be unreasonable. Mr. Wilbur suggested the creation of an ISO sub committee. There was agreement among the board that this would be an appropriate step. Mr. Lacouture advised to wait until the funds are or are not approved at the annual meeting to plan a specific ISO strategy.

Next Meeting

The next meeting of the board will be held on April 20, 2006 at the Exeter Volunteer Fire Company station #1, 305 Ten Rod Rd. The meeting will begin at 7:00pm.

Executive Session

Mr. Nievera moved (Mr. Walker second) entering into executive session in accordance with RIGL (§ 42-46-5(a)(2)) at 9:39pm. The motion carried unanimously. Adjournment

Mr. Walker moved (Mr. Wilbur second) adjournment at 9:48pm. The motion carried unanimously.

Respectfully submitted,

Bill Nievera, Clerk

Exeter Fire District